



Kratos Receives Multi-Million Dollar New Contract Award to Provide and Support Mobile Security and Surveillance Solutions for Major Municipal Transit Authority

Mobile Security, Surveillance and Communication Award Includes Five Year Security System Support Agreement

Kratos Also Receives New Contract Award for Light-Rail Transportation Security System Work

SAN DIEGO, Jan. 31, 2011 (GLOBE NEWSWIRE) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading National Security Solutions provider, today announced that its Public Safety and Security (PSS) Division has recently received a multi-million dollar contract award to provide mobile surveillance and video solutions to a major municipal transportation agency. Under the new contract award, Kratos' wholly owned subsidiary Henry Bros. Electronics (HBE) will deploy mobile video surveillance and wireless infrastructure, including specialized day/night cameras, specialized listening devices and digital video recorders on a large Municipal Transit Authority transportation fleet. The mobile surveillance and video solutions to be provided, along with other security and communication elements, will be integrated into command and control infrastructure. Kratos/HBE was chosen to perform this work and awarded this contract based on its experience in providing security, surveillance and related communications infrastructure, and for having an outstanding track record of supporting metropolitan transportation organizations in major cities throughout the United States. Once the deployment and installation are complete, the Kratos team will support the fleet under a five year agreement.

In addition, the Kratos/HBE VISCOM "Specialty Products Group," now also a part of Kratos following the recently closed acquisition of HBE, received a contract award to provide security support services, including video surveillance personnel and technicians, to support light-rail transportation systems and large multi-passenger transportation fleets for certain unnamed municipal transit agencies in the United States. For competitive, customer sensitivity and other reasons, additional specifics on these contract awards were not disclosed.

Ben Goodwin, President of the Kratos PSS Division, said, "We are extremely pleased to be providing public safety, security, surveillance and mobile video solutions to a growing number of municipal transit authorities. These recent awards demonstrate our ability to leverage our recent acquisition of HBE to expand our services, and our commitment to ensuring the safety and efficient operations of our nation's critical infrastructure. We are also extremely focused on increasing the recurring-in-nature operational, maintenance and services aspects of our PSS business, and the concurrent award of a five year support agreement is extremely satisfying."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security business providing mission critical products, services and solutions for United States National Security priorities. Kratos' core capabilities are sophisticated engineering, manufacturing and system integration offerings for National Security platforms and programs. Kratos' areas of expertise include C5ISR, unmanned systems, cyber warfare, cyber security, information assurance, critical infrastructure security and weapons systems sustainment. Kratos has primarily an engineering and technical oriented work force of approximately 3000, the majority of which hold an active National Security clearance, including Secret, Top Secret and higher. The vast majority of Kratos' work is performed on a military base, in a secure facility or at a critical infrastructure location. Kratos' primary end customers are United States Federal Government agencies, including the Department of Defense, classified agencies, intelligence agencies and Homeland Security related agencies. News and information are available at www.KratosDefense.com.

The Kratos Defense & Security Solutions, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=3519>

Notice Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of the management of Kratos and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Kratos in general, see the risk disclosures in the Annual Report on Form 10-K of Kratos for the year ended December 27, 2009, and in

subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

CONTACT: Press Contact:

Yolanda White

858-812-7302 Direct

Investor Information:

877-934-4687

investor@kratosdefense.com



Source: Kratos Defense & Security Solutions, Inc.

News Provided by Acquire Media